

# CORPORATE ACCOUNTING

**LEARNING OBJECTIVE:** The objective of this subject is to familiarize students with accounting provisions under Companies Act and their application.

## **Unit 1: ISSUE OF SHARES AND DEBENTURES** **14 Hrs.**

Share Capital: Subdivision of Share Capital; Issue of Shares, Pricing of Public Issue – Fixed Price Offer Method, Book-building Method; Journal entries for Issue of Shares - when payable fully on application and when payable in instalments - if shares are issued at par, at premium and at discount. Calls-in-arrears and Calls-in-advance. Forfeiture and Re-issue of Shares.

Debentures: Meaning & Types of Debentures; Provisions for Issue of Debentures under Companies Act, 2013. Accounting entries for issue of Debentures – when payable fully on application and when payable in instalments; Issue of Debentures other than for Cash; Issue of Debentures as collateral security for loan.

## **Unit 2: UNDERWRITING OF SHARES AND DEBENTURES** **08 Hrs.**

Meaning of Underwriting – SEBI regulations regarding underwriting; Underwriting commission. Types of underwriting agreement – conditional and firm; Determination of Liability in respect of underwriting contract – when fully underwritten and partially underwritten – with and without firm underwriting.

## **Unit 3: FINANCIAL STATEMENTS OF COMPANIES** **16 Hrs.**

Components of Financial Statements – Statement of Profit and Loss and Balance Sheet. Schedule III of Companies Act, 2013 – Main features of Schedule III – Format and Content of Statement and Profit and Loss & Balance Sheet according to Schedule III. Problems on preparation of Financial Statements. Treatment for typical adjustments – depreciation, interest on debentures, tax deducted at source, advance payment of income tax, provision for taxation, and dividends.

## **Unit 4: VALUATION OF GOODWILL AND SHARES** **12 Hrs.**

Valuation of Goodwill: Meaning – Circumstances of Valuation of Goodwill – Factors influencing the value of Goodwill – Methods of Valuation of Goodwill: Average Profit Method, Super Profit Method, Capitalisation of average Profit Method, Capitalization of Super Profit Method, and Annuity Method - Problems. Valuation of Shares: Meaning – Need for Valuation – Factors Affecting Valuation – Methods of Valuation: Intrinsic Value Method, Fair Value Method and Yield Method - Problems.

## **Unit 5: MANAGERIAL REMUNERATION** **06 Hrs.**

Meaning – Provisions under Schedule V of Companies Act regarding Managerial Remuneration. Overall maximum managerial remuneration, Calculation of Net Profits for Managerial Remuneration. Simple Problems on calculation of remuneration payable.

### **BOOKS FOR REFERENCE:**

1. Hanif and Mukherjee, Corporate Accounting, Mc Graw Hill Publishers
2. S P Jain and K. L. Narang, Financial Accounting, Kalyani Publication
3. Dr. S Anil Kumar, Dr. V Rajesh Kumar and Dr. B Mariyappa, Corporate Accounting, HPH
4. Dr. S.N. Maheswari, Financial Accounting, Vikas Publication
5. Soundrajan & K. Venkataramana, Financial Accounting, SHBP.
6. A Bannerjee; Financial Accounting.
7. Dr. Janardhanam: Advanced Financial Accounting, Kalyani Publishers
8. Radhaswamy and R.L. Gupta, Advanced Accounting, Sultan Chand
9. M.C. Shukla and Grewal, Advanced Accounting.

# FINANCIAL MANAGEMENT

**LEARNING OBJECTIVE:** The objective is to enable students to understand the basic concepts of Financial Management and the role of Financial Management in decision-making.

## **Unit 1: INTRODUCTION TO FINANCIAL MANAGEMENT** **08 Hrs.**

Introduction – Meaning of Finance – Business Finance – Finance Functions – Organization structure of Finance Department - Financial Management – Goals of Financial Management – Financial Decisions – Role of a Financial Manager – Financial Planning – Steps in Financial Planning – Principles of Sound Financial Planning – Factors influencing a sound financial plan.

## **Unit 2: TIME VALUE OF MONEY** **08 Hrs.**

Meaning, Need, Future Value (Single Flow – Uneven Flow & Annuity) – Present Value (Single Flow – Uneven Flow & Annuity)– Doubling Period – Concept of Valuation: Valuation of Bonds, Debentures and shares. Simple Problems.

## **Unit 3: FINANCING & DIVIDEND DECISIONS** **14 Hrs.**

**Financing Decision:** Sources of Long Term Finance – Meaning of Capital Structure, Factors influencing Capital Structure, Optimum Capital Structure – EBIT, EPS Analysis, Leverages – Problems.

**Dividend Decision:** Meaning & Determinants of Dividend Policy, Types of Dividends, Bonus shares (Meaning only). SEBI Guidelines on dividend distribution.

## **Unit 4: INVESTMENT DECISION** **16 Hrs.**

Meaning and Scope of Capital Budgeting, Features & Significance, Techniques: Payback Period, Accounting Rate of Return, Net Present Value, Internal Rate of Return and profitability index. Problems.

## **Unit 5: WORKING CAPITAL MANAGEMENT** **10 Hrs.**

Concept of Working Capital, Significance of Adequate Working Capital, Types of Working Capital, Problems of Excess or Inadequate Working Capital, Determinants of Working Capital, Sources of Working Capital, Estimation of Working Capital (Simple Problems).

## **BOOKS FOR REFERENCE**

1. S N Maheshwari, Financial Management, Sultan Chand
2. I M Pandey, Financial Management. Vikas Publication.(1)
3. Prasanna Chandra, Financial Management, TMH(2)
4. Khan and Jain, Financial Management, TMH
5. Dr. V Rajeshkumar and Nagaraju V - Financial management MH India
6. Dr. Aswathanarayana.T – Financial Management, VBH
7. K. Venkataramana, Financial Management, SHBP.
8. G. Sudarshan Reddy, Financial Management, HPH
9. Sharma and Sashi Gupta, Financial Management, Kalyani Publication.
10. P.K Simha – Financial Management.
11. Dr. Alice Mani: Financial Management, SBH.

## **: BUSINESS REGULATIONS**

**LEARNING OBJECTIVE:** To introduce the students to the various business regulations and to familiarize them with common issues of relevance.

### **Unit 1: CONTRACT LAW**

**16 Hrs.**

**Indian Contract Act 1872** – Definition of Contract, Essentials of Valid Contract, Classification of Contract, Breach of Contract and Remedies to Breach of Contract.

### **Unit 2: LAW OF SALE OF GOODS**

**10 Hrs.**

**Indian Sale of Goods Act 1930-** Definition of Contract of Sale, Essentials of Contract of Sale, Conditions and Warranties, Rights and Duties of the Buyer, Rights of an Unpaid Seller.

### **Unit 3: COMPETITION AND CONSUMER LAWS**

**14 Hrs.**

**The Competition Act 2002** – Objectives of Competition Act, Features of Competition Act, CAT, Offences and Penalties under the Act, Competition Commission of India.

**Consumer Protection Act 1986** – Definitions of the terms – Consumer, Consumer Dispute, Defect, Deficiency, Unfair Trade Practices, and Services, Rights of Consumer under the Act, Consumer Redressal Agencies – District Forum, State Commission and National Commission.

### **Unit 4: ECONOMIC LAWS**

**10 Hrs.**

**WTO patent rules – Indian Patent Act, 1970** – Meaning and Scope of Intellectual Property Rights (IPR), Procedure to get Patent for Inventions and Non-Inventions.

**FEMA 1999** – Objectives of FEMA, Salient Features of FEMA, Definition of Important Terms – Authorized Dealer, Currency - Foreign Currency, Foreign Exchange, Foreign Security.

### **Unit 5: ENVIRONMENT AND CYBER LAWS**

**06 Hrs.**

**Environment Protection Act 1986** – Objectives of the Act, Definitions of Important Terms – Environment, Environment Pollutant, Environment Pollution, Hazardous Substance and Occupier, Types of Pollution, Powers of Central Government to protect Environment in India.

**Cyber Law:** Definition, Introduction to Indian Cyber Law, Cyber space and Cyber security

### **BOOKS FOR REFERENCE:**

1. N.D. Kapoor, Business Laws, Sultan Chand Publications
2. K. Aswathappa, Business Laws, HPH,
3. Information Technology Act/Rules 2000, Taxmann Publications Pvt. Ltd.
4. Chanda.P.R, Business Laws, Galgotia Publishing Company
5. Maheshwari and Maheshwari, Business Law, National Publishing House
6. S.C. Sharma: Business Law I.K. International Publishers
7. Lee Reach, Business Laws, Oxford University Press
8. Tulsian. P. C Business Law, TMH

# BUSINESS DATA ANALYSIS

**LEARNING OBJECTIVE:** The objective of this subject is to help the students to acquire knowledge on the various statistical tools used for data analysis that can be applied in Business.

## **Unit 1: INTRODUCTION TO STATISTICS** **12 Hrs.**

**Introduction** – Meaning, Functions and Uses of Statistics; **Collection of Data** - Techniques of Data Collection – Census Technique and Sampling Technique (Concepts). **Classification:** Meaning, and Methods of Classification of Data, **Tabulation:** Meaning, Parts of a Table – Simple problems on Tabulation; **Diagrammatic Presentation:** Bar Diagrams – Simple Bars, Multiple Bars, Percentage Sub-divided Bar Diagram; Two Dimensional Diagrams – Pie Diagram.

## **Unit 2: MEASURES OF CENTRAL TENDENCY AND DISPERSION** **18 Hrs.**

**Measures of Central Tendency: Arithmetic Mean:** Calculation of Arithmetic Mean for Individual, Discrete and Continuous Series – Problems using Direct Method.

**Median:** Calculation of Median for Individual, Discrete and Continuous Series

**Mode:** Calculation of Mode for Individual, Discrete and Continuous Series using Inspection method (Excluding problems using Grouping Tables), Empirical relation between Mean, Median and Mode.

**Measures of Dispersion:** Calculation of Standard Deviation and Coefficient of Variation in Individual, Discrete and Continuous Series – Problems using Direct Method.

**Measures of Skewness:** Calculation of Karl Pearson's co-efficient of Skewness (Uni-modal)

## **Unit 3: CORRELATION AND REGRESSION ANALYSIS** **12 Hrs.**

**Correlation Analysis** - Meaning, Types of Correlation, Calculation of Karl Pearson's Coefficient of Correlation in individual series – Problems using Direct Method only; Computation of Probable Error.

**Regression Analysis** – Meaning of Regression, Estimation of X and Y values using Regression Equations when regression coefficients are given.

## **Unit 4: TIME SERIES ANALYSIS** **06 Hrs.**

Meaning, Components, Fitting a straight-line trend using Least Square Method (Problems where  $\Sigma X=0$  only), calculation and estimation of trend values.

## **Unit 5: INTERPOLATION AND EXTRAPOLATION** **08 Hrs.**

Meaning, Assumptions, Methods of Interpolation – Binomial Expansion Method with one or two missing values, Newton's Advancing Differences Method (Problems on one missing value using maximum five X values)

### **BOOKS FOR REFERENCE**

1. S P Gupta: Statistical Methods- Sultan Chand
2. Dr. B N Gupta: Statistics, Sahithya Bhavan
3. S.C Gupta: Business Statistics, HPH
4. N.V.R Naidu: Operation Research I.K. International Publishers
5. Elhance: Statistical Methods, Kitab Mahal
6. Sanchethi and Kapoor: Business Mathematics, Sultan Chand
7. Veerachamy: Operation Research I.K. International Publishers
8. S. Jayashankar: Quantitative Techniques for Management
9. D.P Apte; Statistical Tools for Managers
10. Chikoddi & Satya Prasad: Quantitative Analysis for Business Decision, HPH
11. Dr. Alice Mani: Quantitative Analysis for Business Decisions - I, SBH

# PRACTICALS ON SKILL DEVELOPMENT

## Unit 1: CORPORATE ACCOUNTING

- Compile the list of Indian companies which have issued shares through IPO / FPO in the current financial year.
- Determine Underwriters' Liability in case of an IPO, with imaginary figures.
- Present the format of 'Statement of Profit and Loss', 'Balance Sheet' and 'Statement of Changes in Equity', with imaginary figures.
- Collect financial statement of a company and calculate intrinsic value of an equity share.
- Show the calculation of 'Managerial Remuneration' with imaginary data.

## Unit 2: FINANCIAL MANAGEMENT

- Draw the Organisational Structure of Finance Department of any Indian company.
- Show the calculation of Future Value and Present Value for Annuity and Perpetuity using imaginary data.
- Demonstrate EBIT-EPS Analysis with imaginary figures and calculate all leverages.
- Identify atleast five companies which have issued bonus shares recently.
- Estimate the working capital for a manufacturing company using imaginary figures.

## Unit 3: BUSINESS REGULATIONS

- Discuss the case of "Carlill vs Carbolic Smoke Ball Company" case
- Discuss the case of "Mohori Bibee v/s Dharmodas Ghose".
- Discuss any one case law relating to minor.
- State the procedure for getting patent for 'inventions' and / or 'non-inventions'.
- List at least 5 items which can be categorised as 'hazardous substance' according to Environment Protection Act.

## Unit 4: BUSINESS DATA ANALYSIS

- Draw a bi-variate table using imaginary data.
- For imaginary data of 50 Students' marks in 'Business Data Analysis', compute measures of central tendency.
- For imaginary data of any two variables, calculate 'co-efficient of correlation'.
- Collect the sales data of a company for 9 years and estimate the trend values.
- Based on imaginary 5-years' data of 'production' or 'sales' of a company, extrapolate the value of variable for next year.